



# **PRESS RELEASE**

## **House National Security Committee**

### **Floyd D. Spence, Chairman**

**FOR IMMEDIATE RELEASE**  
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#### **OPENING REMARKS OF CHAIRMAN FLOYD SPENCE**

#### **HNSC MARKUP OF H.R. 695 – ENCRYPTION BILL**

*Tuesday, September 9, 1997*

In July the National Security Committee was granted sequential referral of H.R. 695 – legislation authored by Congressman Goodlatte that would dramatically ease restrictions on the use and export of encryption technology – until this Friday, September 12<sup>th</sup>.

This bill has attracted a lot of attention, controversy and from many, outright opposition (including strong opposition from the Administration). The Judiciary and International Relations Committees have already acted on the bill, while we, the Commerce and Intelligence committees must act by the end of this week. There is also encryption legislation pending before several Senate committees.

I am not sure if the bill will even make it to the House floor this session and, in light of its controversy, I am not sure why it would be scheduled. But if it is, the perspective of all five committees will converge in the Rules Committee which, in turn, will have to decide what “base bill” and which amendments are made in order. So our action today represents only one step in what promises to be a lengthy and controversial process.

This legislation has two primary components – one deals with the domestic use of encryption and the other with export regulations. Because of this committee’s jurisdictional boundaries, our consideration of H.R. 695 must be limited to those provisions dealing with export control policy. By permitting the largely unrestricted export of sensitive encryption technology, I believe that H.R. 695 would do significant damage to U.S. national security. It would greatly complicate our nation’s intelligence mission and our military’s ability to dominate information on the battlefield.

In July, we heard very blunt testimony from the Departments of Defense and Commerce that H.R. 695 would harm U.S. national security. Since that time, some of us have been working with the Administration, industry and other experts to construct an amendment that preserves as much of the original bill’s intent as possible, but in a way that does not run counter to our own national security.

In a few minutes, Mr. Weldon and Mr. Dellums will jointly offer an amendment that I believe accomplishes just that. The Weldon-Dellums amendment ensures that the federal government retains the ability to review encryption exports. But the amendment also provides sufficient flexibility to permit the government's export control policy to be continually reviewed (and revised, if necessary) to keep current with the rapid pace of technological advances in this area.

Contrary to the arguments that will be made by some in industry, I cannot emphasize strongly enough that the Weldon-Dellums amendment would not halt the export of encryption technology. Instead, the amendment simply allows the government to take necessary steps to review exports of this sensitive technology. Such review may lead to the government's disapproval of certain questionable transactions. But by and large, legitimate exports to legitimate users can and will continue under the terms of this amendment.

In conclusion, I want to thank Mr. Weldon and Mr. Dellums for their leadership on this issue and for crafting an amendment that addresses in a responsible and balanced manner the issue of how the federal government manages the export of sensitive encryption technology. I urge all of my colleagues to strongly support the amendment.